



Office of Retirement Services

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TDP Agreement Payoff Worksheet for employees terminating employment or retiring

The following worksheet will help you project your TDP agreement balance to pay off at the time of your employment separation. To pay off your TDP agreement, work with ORS and complete the *Payoff Payment Options (R518M)*.

To pay off your existing TDP agreement, three payment options are available: (1) a one-time lump sum payroll deduction payment; (2) a plan-to-plan transfer of funds from a qualified retirement plan (401(a), 401(k), 403(b), or 457 account; and (3) a direct after-tax payment made by check or money order. You may choose more than one payment option to reduce or payoff your TDP agreement.

1. Enter your current TDP agreement balance. (Verify the amount with your payroll or human resource office.)		\$
If you are terminating before the end of the fiscal year*, or your agreement is not subject to interest**, transfer the balance in Line 1 to Line 5 and go to Line 6 . Otherwise, go to Line 2 .		
2. You are terminating after the end of the fiscal year. Multiply the number of pay periods remaining in the fiscal year by your TDP payroll deduction. (_____ pay periods X \$_____ TDP payroll deduction)	\$	
3. Subtract Line 2 from Line 1 to estimate your TDP agreement balance at the end of the fiscal year.	\$	
4. Estimate 8 % interest to be applied to your TDP agreement balance at the end of the fiscal year. (Line 3 _____ X .08 interest)	\$	
5. Add Lines 4 and 3 to calculate your estimated TDP agreement balance with interest.	\$ →	\$
6. Multiply the number of pay periods remaining until your termination by your TDP payroll deduction. (_____ pay periods X \$_____ TDP payroll deduction)		\$
7. Subtract Line 6 from Line 5 to estimate your TDP agreement balance at the time of your termination.		\$
8. Enter the amount you wish to apply from a one-time lump sum payroll deduction .	\$	
9. Enter the amount you wish to transfer from a qualified plan .	\$	
10. Enter the amount you wish to apply from a direct after-tax payment .	\$	
11. Add Lines 8, 9, and 10 to calculate your total payment.	\$ →	\$
12. Subtract Line 11 from Line 7 to estimate your new projected TDP agreement balance at the time you leave employment.***		\$

*Fiscal Year. *School fiscal year* is July 1 - June 30. *State fiscal year* is October 1 - September 30.

**Interest on TDP agreements.

School employees. For agreements started on or after January 1, 2004, TDP interest is applied to your balance at the end the fiscal year, June 30.

State employees. For agreements started on or after October 1, 2004, TDP interest is applied to your balance at the end the fiscal year, September 30.

***If there is a balance at the time you terminate employment, you may receive only a prorated amount of service credit (where incremental years can be purchased), or possibly no service credit (where the purchase requires full payment).